

Form 990-PF

Department of the Treasury Internal Revenue Service

EXTENSION GRANTED Return of Private Foundation or Section 4947(a)(1) Nonexempt Charitable Trust Treated as a Private Foundation

OMB No 1545-0052

2007

Note: The foundation may be able to use a copy of this return to satisfy state reporting requirements

For calendar year 2007, or tax year beginning 2007, and ending

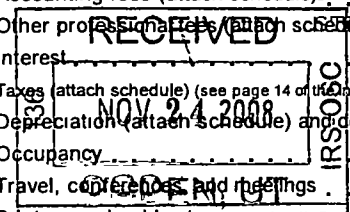
G Check all that apply Initial return Final return Amended return Address change Name change

Name of foundation: CLAUDE R. LAMBE CHARITABLE FOUNDATION
Employer identification number: 48-0935563
Address: P.O. BOX 2256, WICHITA, KS 67201-2256
Telephone number: (316) 828-5552

H Check type of organization: Section 501(c)(3) exempt private foundation
I Fair market value of all assets at end of year: \$ 13,031,981
J Accounting method: Accrual

Table with 5 columns: (a) Revenue and expenses per books, (b) Net investment income, (c) Adjusted net income, (d) Disbursements for charitable purposes. Rows include contributions, interest, dividends, net gain, capital gain, other income, operating and administrative expenses, and total expenses.

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For Privacy Act and Paperwork Reduction Act Notice, see page 30 of the instructions. ** STMT 4

Form 990-PF (2007)

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value		
Assets	1	Cash - non-interest-bearing				
	2	Savings and temporary cash investments	395,343.	5,685,170.	5,685,170.	
	3	Accounts receivable ▶ ----- NONE				
		Less: allowance for doubtful accounts ▶ -----	NONE	NONE	28,797.	
	4	Pledges receivable ▶ -----				
		Less: allowance for doubtful accounts ▶ -----				
	5	Grants receivable				
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 16 of the instructions)				
	7	Other notes and loans receivable (attach schedule) ▶ -----				
		Less: allowance for doubtful accounts ▶ -----				
	8	Inventories for sale or use				
	9	Prepaid expenses and deferred charges	3,775.	1,216.	1,216.	
	10 a	Investments - U.S. and state government obligations (attach schedule)* *	1,500,000.	NONE	NONE	
	b	Investments - corporate stock (attach schedule)				
	c	Investments - corporate bonds (attach schedule)				
	11	Investments - land, buildings, and equipment, basis ▶ ----- Less: accumulated depreciation (attach schedule) ▶ -----				
12	Investments - mortgage loans					
13	Investments - other (attach schedule) \$TMT 7	12,099,811.	6,072,204.	7,316,798.		
14	Land, buildings, and equipment basis ▶ ----- Less: accumulated depreciation (attach schedule) ▶ -----					
15	Other assets (describe ▶ -----)					
16	Total assets (to be completed by all filers - see the instructions. Also, see page 1, item i)	13,998,929.	11,758,590.	13,031,981.		
Liabilities	17	Accounts payable and accrued expenses	NONE	2,430.		
	18	Grants payable				
	19	Deferred revenue				
	20	Loans from officers, directors, trustees, and other disqualified persons				
	21	Mortgages and other notes payable (attach schedule)				
	22	Other liabilities (describe ▶ -----)				
	23	Total liabilities (add lines 17 through 22)	NONE	2,430.		
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.					
	24	Unrestricted	13,998,929.	11,756,160.		
	25	Temporarily restricted				
	26	Permanently restricted				
	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. <input type="checkbox"/>					
	27	Capital stock, trust principal, or current funds				
	28	Paid-in or capital surplus, or land, bldg, and equipment fund				
	29	Retained earnings, accumulated income, endowment, or other funds				
	30	Total net assets or fund balances (see page 17 of the instructions)	13,998,929.	11,756,160.		
31	Total liabilities and net assets/fund balances (see page 17 of the instructions)	13,998,929.	11,758,590.			

Part III Analysis of Changes in Net Assets or Fund Balances		
1	Total net assets or fund balances at beginning of year - Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1 13,998,929.
2	Enter amount from Part I, line 27a	2 -2,242,769.
3	Other increases not included in line 2 (itemize) ▶ -----	3
4	Add lines 1, 2, and 3	4 11,756,160.
5	Decreases not included in line 2 (itemize) ▶ -----	5
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6 11,756,160.

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse; or common stock, 200 shs MLC Co.)		(b) How acquired P-Purchase D-Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a SEE PART IV SCHEDULE				
b				
c				
d				
e				
(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)	
a				
b				
c				
d				
e				
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(i) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))	
(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any		
a				
b				
c				
d				
e				
2 Capital gain net income or (net capital loss)		{ If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 }	2	1,611,771.
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) (see pages 13 and 17 of the instructions). If (loss), enter -0- in Part I, line 8.			}	3

Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income.)

If section 4940(d)(2) applies, leave this part blank.

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? Yes No
 If "Yes," the foundation does not qualify under section 4940(e). Do not complete this part.

1 Enter the appropriate amount in each column for each year, see page 18 of the instructions before making any entries.

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col. (c))
2006	4,231,735.	17,229,773.	0.245606
2005	3,796,938.	19,799,454.	0.191770
2004	3,110,086.	21,925,067.	0.141851
2003	2,377,850.	24,494,757.	0.097076
2002	2,601,735.	26,953,253.	0.096528
2 Total of line 1, column (d)			2 0.772831
3 Average distribution ratio for the 5-year base period - divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years			3 0.154566
4 Enter the net value of noncharitable-use assets for 2007 from Part X, line 5			4 15,540,497.
5 Multiply line 4 by line 3			5 2,402,032.
6 Enter 1% of net investment income (1% of Part I, line 27b)			6 19,991.
7 Add lines 5 and 6			7 2,422,023.
8 Enter qualifying distributions from Part XII, line 4			8 4,105,874.

If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions on page 18

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948 - see page 18 of the instructions)

Table with 11 rows for excise tax calculations. Includes categories like 'Exempt operating foundations', 'Domestic foundations', 'Tax under section 511', 'Credits/Payments', and 'Tax due'. Total tax due is 1,206.

Part VII-A Statements Regarding Activities

Table with 10 rows for activity statements. Columns include question number, 'Yes', and 'No'. Questions cover political activities, unrelated business income, and substantial contributors.

Part VII-A Statements Regarding Activities (continued)

11a At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule. (see page 20 of the instructions) 11a X
b If "Yes," did the foundation have a binding written contract in effect on August 17, 2006, covering the interest, rents, royalties, and annuities described in the attachment for line 11a? 11b N/A
12 Did the foundation acquire a direct or indirect interest in any applicable insurance contract? 12 X
13 Did the foundation comply with the public inspection requirements for its annual returns and exemption application? 13 X
Website address N/A
14 The books are in care of VONDA HOLLI MAN Telephone no. (316) 828-5552
Located at 4111 E. 37TH STREET NORTH WICHITA, KS ZIP + 4 67220
15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-F in lieu of Form 1041 - Check here N/A and enter the amount of tax-exempt interest received or accrued during the year 15

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.
1a During the year did the foundation (either directly or indirectly):
(1) Engage in the sale or exchange, or leasing of property with a disqualified person? Yes No X
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? Yes No X
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? X Yes No
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? X Yes No
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? Yes No X
(6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days). Yes No X
b If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 22 of the instructions)? 1b X
Organizations relying on a current notice regarding disaster assistance check here
c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2007? 1c X
2 Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)).
a At the end of tax year 2007, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2007? Yes No X
If "Yes," list the years
b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see page 22 of the instructions.) 2b N/A
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here.
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? Yes No X
b If "Yes," did it have excess business holdings in 2007 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969, (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest, or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2007) 3b N/A
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes? 4a X
b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2007? 4b X

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required (continued)

5a During the year did the foundation pay or incur any amount to

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? Yes No

(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive? Yes No

(3) Provide a grant to an individual for travel, study, or other similar purposes? Yes No

(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see page 22 of the instructions) Yes No

(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? Yes No

b If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see page 22 of the instructions)? **5b** X
Organizations relying on a current notice regarding disaster assistance check here.

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? **SEE STATEMENT 8** Yes No
If "Yes," attach the statement required by Regulations section 53.4945-5(d)

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? Yes No

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? **6b** X
If you answered "Yes" to 6b, also file Form 8870

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? Yes No

b If yes, did the foundation receive any proceeds or have any net income attributable to the transaction? **7b** N/A

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors

1 List all officers, directors, trustees, foundation managers and their compensation (see page 23 of the instructions).

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (if not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
SEE STATEMENT 14		NONE	NONE	NONE

2 Compensation of five highest-paid employees (other than those included on line 1 - see page 23 of the instructions). If none, enter "NONE."

(a) Name and address of each employee paid more than \$50,000	(b) Title, and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
NONE				

Total number of other employees paid over \$50,000 NONE

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors (continued)

3 Five highest-paid independent contractors for professional services (see page 23 of the instructions). If none, enter "NONE."

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		

Total number of others receiving over \$50,000 for professional services NONE

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.	Expenses
1 NONE	
2	
3	
4	

Part IX-B Summary of Program-Related Investments (see page 24 of the instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2.	Amount
1 NONE	
2	
All other program-related investments See page 24 of the instructions	
3 NONE	
Total. Add lines 1 through 3	

Part X Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see page 24 of the instructions.)

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes		
a	Average monthly fair market value of securities	1a	11,049,265.
b	Average of monthly cash balances	1b	4,727,889.
c	Fair market value of all other assets (see page 25 of the instructions)	1c	NONE
d	Total (add lines 1a, b, and c)	1d	15,777,154.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	
2	Acquisition indebtedness applicable to line 1 assets	2	NONE
3	Subtract line 2 from line 1d	3	15,777,154.
4	Cash deemed held for charitable activities. Enter 1 1/2 % of line 3 (for greater amount, see page 25 of the instructions)	4	236,657.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	15,540,497.
6	Minimum investment return. Enter 5% of line 5	6	777,025.

Part XI Distributable Amount (see page 25 of the instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here and do not complete this part.)

1	Minimum investment return from Part X, line 6	1	777,025.
2a	Tax on investment income for 2007 from Part VI, line 5	2a	19,991.
b	Income tax for 2007. (This does not include the tax from Part VI.)	2b	
c	Add lines 2a and 2b	2c	19,991.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	757,034.
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	757,034.
6	Deduction from distributable amount (see page 25 of the instructions)	6	
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	757,034.

Part XII Qualifying Distributions (see page 26 of the instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
a	Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26	1a	4,105,874.
b	Program-related investments - total from Part IX-B	1b	NONE
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	NONE
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	NONE
b	Cash distribution test (attach the required schedule)	3b	NONE
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	4,105,874.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see page 26 of the instructions)	5	19,991.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	4,085,883.

Note: The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years.

Part XIII Undistributed Income (see page 26 of the instructions)

	(a) Corpus	(b) Years prior to 2006	(c) 2006	(d) 2007
1 Distributable amount for 2007 from Part XI, line 7				757,034.
2 Undistributed income, if any, as of the end of 2006				
a Enter amount for 2006 only			NONE	
b Total for prior years				
3 Excess distributions carryover, if any, to 2007:				
a From 2002	1,263,398.			
b From 2003	1,158,372.			
c From 2004	2,020,055.			
d From 2005	2,373,221.			
e From 2006	3,384,774.			
f Total of lines 3a through e	10,199,820.			
4 Qualifying distributions for 2007 from Part XII, line 4 ▶ \$ <u>4,105,874.</u>				
a Applied to 2006, but not more than line 2a			NONE	
b Applied to undistributed income of prior years (Election required - see page 27 of the instructions)				
c Treated as distributions out of corpus (Election required - see page 27 of the instructions)				
d Applied to 2007 distributable amount				757,034.
e Remaining amount distributed out of corpus	3,348,840.			
5 Excess distributions carryover applied to 2007 . (If an amount appears in column (d), the same amount must be shown in column (a))				
6 Enter the net total of each column as indicated below:				
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5	13,548,660.			
b Prior years' undistributed income. Subtract line 4b from line 2b				
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed				
d Subtract line 6c from line 6b. Taxable amount - see page 27 of the instructions				
e Undistributed income for 2006. Subtract line 4a from line 2a. Taxable amount - see page 27 of the instructions			NONE	
f Undistributed income for 2007. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2008				
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see page 27 of the instructions)				
8 Excess distributions carryover from 2002 not applied on line 5 or line 7 (see page 27 of the instructions)	1,263,398.			
9 Excess distributions carryover to 2008. Subtract lines 7 and 8 from line 6a	12,285,262.			
10 Analysis of line 9				
a Excess from 2003	1,158,372.			
b Excess from 2004	2,020,055.			
c Excess from 2005	2,373,221.			
d Excess from 2006	3,384,774.			
e Excess from 2007	3,348,840.			

Part XIV Private Operating Foundations (see page 27 of the instructions and Part VII-A, question 9) NOT APPLICABLE

1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2007, enter the date of the ruling

Empty box for ruling date

b Check box to indicate whether the foundation is a private operating foundation described in section

4942(j)(3) or 4942(j)(5)

2 a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed

Table with columns: Tax year (a) 2007, Prior 3 years (b) 2006, (c) 2005, (d) 2004, (e) Total

b 85% of line 2a

c Qualifying distributions from Part XII, line 4 for each year listed

d Amounts included in line 2c not used directly for active conduct of exempt activities

e Qualifying distributions made directly for active conduct of exempt activities Subtract line 2d from line 2c

3 Complete 3a, b, or c for the alternative test relied upon

a "Assets" alternative test - enter

- (1) Value of all assets
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)

b "Endowment" alternative test - enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed

c "Support" alternative test - enter

- (1) Total support other than gross investment income
(2) Support from general public and 5 or more exempt organizations
(3) Largest amount of support from an exempt organization
(4) Gross investment income

Part XV Supplementary Information (Complete this part only if the foundation had \$5,000 or more in assets at any time during the year - see page 28 of the instructions.)

1 Information Regarding Foundation Managers:

a List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than \$5,000).

NONE

b List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest.

NONE

2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:

Check here [] if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds.

a The name, address, and telephone number of the person to whom applications should be addressed

SEE STATEMENT 9

b The form in which applications should be submitted and information and materials they should include:

SEE STATEMENT 10

c Any submission deadlines

NONE

d Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors:

SEE STATEMENT 11

Part XV Supplementary Information (continued)

3 Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a <i>Paid during the year</i> SEE STATEMENT 15				4,206,140.
Total				▶ 3a 4,206,140.
b <i>Approved for future payment</i>				
Total				▶ 3b

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.

Table with 5 columns: (a) Business code, (b) Amount, (c) Exclusion code, (d) Amount, (e) Related or exempt function income. Rows include Program service revenue, Membership dues and assessments, Interest on savings and temporary cash investments, Dividends and interest from securities, Net rental income from real estate, Net rental income from personal property, Other investment income, Gain or loss from sales of assets other than inventory, Net income from special events, Gross profit from sales of inventory, Other revenue, and Subtotal.

Part XVI-B Relationship of Activities to the Accomplishment of Exempt Purposes

Table with 2 columns: Line No., Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the foundation's exempt purposes (other than by providing funds for such purposes). (See page 29 of the instructions.)

NOT APPLICABLE

Part XVII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations

- 1 Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code... a Transfers from the reporting foundation to a noncharitable exempt organization of: (1) Cash (2) Other assets b Other transactions (1) Sales of assets to a noncharitable exempt organization (2) Purchases of assets from a noncharitable exempt organization (3) Rental of facilities, equipment, or other assets (4) Reimbursement arrangements (5) Loans or loan guarantees (6) Performance of services or membership or fundraising solicitations c Sharing of facilities, equipment, mailing lists, other assets, or paid employees d If the answer to any of the above is "Yes," complete the following schedule.

Table with 4 columns: (a) Line no, (b) Amount involved, (c) Name of noncharitable exempt organization, (d) Description of transfers, transactions, and sharing arrangements. Row 1 contains N/A.

2 a Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? [] Yes [X] No

Table with 3 columns: (a) Name of organization, (b) Type of organization, (c) Description of relationship.

Declaration section: Under penalties of perjury, I declare that I have examined this return... Signature of officer or trustee: Yvonda G. Holliman, Date: 11-17-08, Title: Treasurer. Preparer's signature: [Signature], Date: 11/17/08, Firm's name: BKD, LLP, Address: 1551 N WATERFRONT PKWY, STE 300 WICHITA, KS 67206-6601, EIN: 44-0160260, Phone no: 316-265-2811, Preparer's SSN or PTIN: P00051392.

**FORM 990-PF - PART IV
CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME**

Kind of Property		Description				P or D	Date acquired	Date sold
Gross sale price less expenses of sale	Depreciation allowed/ allowable	Cost or other basis	FMV as of 12/31/69	Adj. basis as of 12/31/69	Excess of FMV over adj basis		Gain or (loss)	
8,617,286.		SEE STATEMENT 12 PROPERTY TYPE: SECURITIES 7,005,515.				P	VAR 1,611,771.	VAR
TOTAL GAIN(LOSS)					----- 1,611,771. =====	

FORM 990PF, PART I - LEGAL FEES
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DESCRIPTION -----	REVENUE AND EXPENSES PER BOOKS -----	NET INVESTMENT INCOME -----	ADJUSTED NET INCOME -----	CHARITABLE PURPOSES -----
LEGAL FEES - ADMINISTRATIVE	475.			475.
TOTALS	475.	NONE	NONE	475.

FORM 990PF, PART I - ACCOUNTING FEES
=====

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME	ADJUSTED NET INCOME	CHARITABLE PURPOSES
ACCOUNTING FEES	11,960.			
INVESTMENT ACCTG SERVICE FEES	4,590.	4,590.		9,560.
TOTALS	16,550.	4,590.	NONE	9,560.

FORM 990PF, PART I - OTHER PROFESSIONAL FEES

=====

DESCRIPTION	REVENUE AND EXPENSES PER BOOKS	NET INVESTMENT INCOME
INVESTMENT MANAGEMENT FEES	64,905.	64,905.
TOTALS	64,905.	64,905.

FORM 990PF, PART I - TAXES
=====

DESCRIPTION -----	REVENUE AND EXPENSES PER BOOKS -----
FEDERAL EXCISE TAX	19,991.
TOTALS	----- 19,991. =====

FORM 990PF, PART I - OTHER EXPENSES

=====

REVENUE
AND
EXPENSES
PER BOOKS

DESCRIPTION

INSURANCE
BANK FEES

3,155.
184.

TOTALS

3,339.

3,339.

CHARITABLE
PURPOSES

3,155.
184.

FORM 990PF, PART II - U.S. AND STATE OBLIGATIONS

DESCRIPTION	ENDING BOOK VALUE	ENDING FMV
FEDERAL & STATE GOV'T BONDS	NONE	NONE
US OBLIGATIONS TOTAL	NONE	NONE

FORM 990PF, PART II - OTHER INVESTMENTS

=====

DESCRIPTION	ENDING BOOK VALUE	ENDING FMV
ARDEN ENDOW ADVISERS, LTD SHRS	3,366,293.	4,610,430.
ZAZOVE ASSOC CONVERTIBLE BONDS	2,705,911.	2,706,368.
MESIROW ABSOLUTE RETURN FUND	NONE	NONE
TOTALS	6,072,204.	7,316,798.

FORM 990PF, PART VII-B, LINE 5C-EXPENDITURE RESPONSIBILITY STATEMENT
=====

GRANTEE'S NAME: SEE STATEMENT 13
GRANTEE'S ADDRESS:
CITY, STATE & ZIP:
GRANT DATE:
GRANT AMOUNT:
GRANT PURPOSE:

AMOUNT EXPENDED:
ANY DIVERSION? NO
DATES OF REPORTS:
VERIFICATION DATE:
RESULTS OF VERIFICATION:

FORM 990PF, PART XV - NAME, ADDRESS AND PHONE FOR APPLICATIONS
=====

GRANT ADMINISTRATOR
1515 N. COURTHOUSE RD., 2ND FLOOR
ARLINGTON, VA 22201
703-875-1601

990PF, PART XV - FORM AND CONTENTS OF SUBMITTED APPLICATIONS
=====

LETTER EXPLAINING PROJECT AND AMOUNT REQUESTED, PLUS A COPY OF THE IRS
DETERMINATION LETTER SHOWING EXEMPTION.

990PF, PART XV - RESTRICTIONS OR LIMITATIONS ON AWARDS
=====

GRANTS ARE GENERALLY RESTRICTED TO PUBLIC CHARITY ORGANIZATIONS AS
DEFINED IN SECTION 501(C)(3) OF THE INTERNAL REVENUE CODE. THE
FOUNDATION DOES NOT MAKE GRANTS TO INDIVIDUALS OR FOR-PROFIT
CORPORATIONS.

CLAUDE R. LAMBE CHARITABLE FOUNDATION
EIN 48-0935563
SCHEDULE OF INFORMATION FOR 2007 form 990-PF

Part IV Capital Gains and Losses for Tax on Investment Income				STATEMENT 12
(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse; or common stock, 200 shs MLC Co.)	(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr)	(d) Date sold (mo., day, yr)	
1a Mesirow Absolute Return Fund Ltd - Sale of Class S Shares	P	6/30/2004	3/1/07-3/29/07	
b Zazove Associates, LLC Bond Fund - Sale of Bonds	P	04/04 - 10/06	01/07 - 12/07	
c				
d				
e				
f				
g				
(e) Gross sales price minus expense of sale	(f) Depreciation allowed (or allowable)	(g) Cost or other basis	(h) Gain or (loss) (e) plus (f) minus (g)	
a 5,193,867	0	4,125,998	1,067,869	
b 3,423,419	0	2,879,517	543,902	
c			0	
d			0	
e			0	
f			0	
g			0	
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))	
(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any		
a		0	1,067,869	
b		0	543,902	
c		0	0	
d		0	0	
e		0	0	
f		0	0	
g		0	0	
2 Capital gain net income or (net capital loss). If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7		2	1,611,771	
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c) (see pages 11 and 16 of the instructions). If (loss), enter -0- in Part I, line 8		3	0	

CLAUDE R. LAMBE CHARITABLE FOUNDATION
EIN 48-0935563
ATTACHMENT TO FORM 990-PF TO REPORT
EXPENDITURE RESPONSIBILITY GRANT
For the Year Ended 12/31/07

PART VII-B, Question on Line 5c:

STATEMENT 13

Expenditure Responsibility Statement for the year 2007

Pursuant to IRC Regulation section 53 4945-5(d)(2), the CLAUDE R. LAMBE CHARITABLE FOUNDATION provides the following information:

- (i) **Name & Address of Grantee:** Allen-Lambe House Foundation
255 N. Roosevelt
Wichita, KS 67208
- (ii) **Date and Amount of Grants.**
- | | |
|-------------------|-----------|
| March 1, 2006 | \$114,675 |
| February 23, 2007 | \$113,640 |
- (iii) **Purpose of Grants:** General program operating support for the Allen-Lambe House Foundation, an educational foundation which operates a museum and study center in a house located in Wichita, Kansas, designed by Frank Lloyd Wright in 1915. The house museum is open to the general public. The program of the Foundation includes restoration and conservation of the house, gardens, and its interiors, with furnishings to showcase the "Prairie Style" designs of Frank Lloyd Wright; and to maintain a library archive study center for the study of Frank Lloyd Wright and other interrelated areas of design.
- (iv) **Amounts expended:** Reports received from the Allen-Lambe House Foundation show the following expenditures.
\$56,095 of the remaining March, 2006 grant was spent for operating support of the museum
\$48,758 of the February, 2007 grant was spent for operating support of the museum.
- (v) **Diversions:** To the knowledge of this grantor foundation, no funds have been diverted to any activity other than the activity for which the grant was originally made.
- (vi) **Date of Reports:** On October 20, 2008, the Allen-Lambe House Foundation submitted a full and complete report of its expenditures of the March 2006 and February 2007 operating support grants.
- (vi) **Verification:** The grantor has no reason to doubt the accuracy or reliability of the report from the grantee; therefore, no independent verification of the reports were made.

CLAUDE R. LAMBE CHARITABLE FOUNDATION
EIN 48-0935563
SCHEDULE OF INFORMATION FOR 2007 FORM 990 PF

PART VIII, Line 1 - Officers, Directors, Trustees, Managers, Etc.

STATEMENT 14

<u>(a) Name and Address</u>	<u>(b) Title, and average hours per week devoted to position</u>	<u>(c) Compensation</u>	<u>(d) Contributions to employee benefit plans</u>	<u>(e) Expense account, other allowances</u>
Richard H. Fink 655 15th Street, NW, Suite 445 Washington, DC 20005	President / Director 1 hour per week	0	0	0
Logan Moore 1515 N Courthouse Rd, Suite 200 Arlington, VA 22201	Secretary 1 hour per week average	0	0	0
Vonda Holliman P.O. Box 2256 Wichita, KS 67201	Treasurer 1 hour per week average	0	0	0
Charles G. Koch P.O. Box 2256 Wichita, KS 67201	Director Less than 1 hour per week	0	0	0
Elizabeth B. Koch P.O. Box 2256 Wichita, KS 67201	Director Less than 1 hour per week	0	0	0
Elizabeth R. Koch PO Box 2256 Wichita, KS 67201	Director Less than 1 hour per week	0	0	0
Charles C Koch PO Box 2256 Wichita, KS 67201	Director Less than 1 hour per week	0	0	0
TOTAL		<u>0</u>	<u>0</u>	<u>0</u>

CLAUDE R. LAMBE CHARITABLE FOUNDATION
EIN 48-0935563
SCHEDULE OF INFORMATION FOR 2007 FORM 990 PF

Part XV, Line 3a& b - Grants and Contributions Paid During the Year or Approved for Future Payment **STATEMENT 15**

Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a Paid during the year:				
Allen-Lambe House Foundation Wichita, KS		Private	General Operating Support	113,640
American Council for Capital Formation Washington, DC		Public	General Operating Support	50,000
American Legislative Exchange Council Washington, DC		Public	General Operating Support	75,000
Americans for Prosperity Foundation Washington, DC		Public	General Operating Support	1,025,000
Americans for Tax Reform Washington, DC		Public	General Operating Support	25,000
Brookings Joint Center/Regulatory Studies Washington, DC		Public	Educational Programs	250,000
Capital Research Center Washington, DC		Public	General Operating Support	25,000
Cato Institute Washington, DC		Public	General Operating Support	250,000
Center for Independent Thought New York, NY		Public	General Operating Support	25,000
Center for Study of Carbon Dioxide & Global Change Center Haymarket, VA		Public	General Operating Support	25,000
Environmental Literacy Council Washington, DC		Public	General Operating Support	50,000
Federalist Society Washington, DC		Public	Educational Programs	100,000
Foundation for Individual Rights in Education Philadelphia, PA		Public	General Operating Support	300,000
Foundation for Research on Economics & the Environment (FREE) Bozeman, MT		Public	Educational Programs	100,000
Frontiers of Freedom Oakton, VA		Public	General Operating Support	50,000
George Marshall Institute Washington, DC		Public	General Operating Support	70,000
The Heritage Foundation Washington, DC		Public	Educational Programs	465,000
Independent Women's Forum Washington, DC		Public	General Operating Support	250,000
Institute for Energy Research Houston, TX		Public	General Operating Support	125,000
The Manhattan Institute New York, NY		Public	General Operating Support	200,000

CLAUDE R. LAMBE CHARITABLE FOUNDATION
EIN 48-0935563
SCHEDULE OF INFORMATION FOR 2007 FORM 990 PF

Part XV, Line 3a& b - Grants and Contributions Paid During the Year or Approved for Future Payment **STATEMENT 15**

Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a Paid during the year: Media Research Center Alexandria, VA		Public	General Operating Support	5,000
National Center for Policy Analysis Dallas, TX		Public	General Operating Support	40,000
Pacific Research Institute San Francisco, CA		Public	General Operating Support	90,000
Property and Environment Research Center Bozeman, MT		Public	Educational Programs	25,000
Students in Free Enterprise Springfield, MO		Public	Educational Programs	15,000
Tax Foundation Washington, DC		Public	General Operating Support	125,000
Texas Public Policy Foundation Austin, TX		Public	General Operating Support	70,000
The Fraser Institute Vancouver, British Columbia, Canada		Public	Educational Programs	25,000
Washington Legal Foundation Washington, DC		Public	General Operating Support	150,000
Young America's Foundation Herndon, VA		Public	General Operating Support	12,500
TOTAL GRANTS PAID TO ORGANIZATIONS				\$ 4,206,140